

**Substance Abuse and Crime Prevention Act of 2000 (SACPA)
STATEWIDE ADVISORY GROUP MEETING SUMMARY
March 21, 2003**

WELCOME AND DIRECTOR'S REPORT

Kathryn P. Jett, Director, Department of Alcohol and Drug Programs (ADP), welcomed the Statewide Advisory Group attendees. The Director provided a comprehensive update to members including:

- Director Jett introduced and welcomed Chris Janzen, the ADP's new Deputy Director of Legislation and Public Affairs, and highlighted the experience he brings to the Department's efforts. The Director also announced that Les Johnson, who had been serving in an acting capacity in that position, would remain with ADP as Assistant Director of Constituency Development and Services.
- The proposed Governor's Budget introduced in January 2003 would shift state responsibility for several programs, including SACPA, to the counties. This proposal would also create a new revenue source for the realigned programs. While there are those who feel the Mental Health realignment seems to work well, realignment of alcohol and drug treatment and prevention services and funding has some different challenges associated with it. These challenges stem primarily from the new direction the Federal Government is taking with respect to implementing the Performance Partnership Grants (PPGs), and the stringent interpretation and application of federal Maintenance of Effort (MOE) requirements. The first realignment workgroup meeting took place March 20, 2003. The workgroup will continue to meet to explore the realignment issues and transition considerations. As work progresses and the budget process continues, Statewide Advisory Group members will be updated.
- The Office of National Drug Control Policy (ONDCP) will be presenting at the Substance Abuse and Prevention Symposium, sponsored by the Charles and Helen Schwab Foundation on April 1-2, 2003 at the Sheraton Hotel in Sacramento. ONDCP staff will also be meeting with state and county administrators while in Sacramento, discussing the President's goals and innovative strategies to reduce drug abuse. The areas of focus are (1) prevention, (2) demand reduction, and (3) interdiction and enforcement.
- On March 11, 2003, the Little Hoover Commission issued a report titled "For Our Health & Safety: Joining Forces to Defeat Addiction". The Commission is urging state leaders to develop a strategy for reducing the cost and misery of drug and alcohol addiction and expanding the quality and quantity of treatment. Among the conclusions of the Commission is that existing resources could be far better used if treatment, prevention, and enforcement efforts are better coordinated. The recommendations from the Little Hoover Commission Report could be used by the field to establish standards of expanded and improved services.

- The California Departments of Alcohol and Drug Programs, Health Services, Justice, Corrections, the California State University, and University of California are moving forward with collaborative efforts to address binge drinking among college students. The California Community Colleges are also asked to join this coalition. Alcohol Beverage Control (ABC) is involved.
- California also anticipates receipt of the State Incentive Grant this month. ADP will administer 12 million dollars over a three-year period to make system changes in the coordination and delivery of prevention services.
- The Department of Alcohol and Drug Programs “Strategic Plan 2002-2005” is complete and published on the ADP’s website. In addition, all key constituent and advisory groups received a copy. Additional copies are available.

Check-In and Program Updates

Members engaged in a roundtable discussion and commentary on issues relevant to implementation of the Substance Abuse and Crime Prevention Act of 2000 (SACPA). Comments included:

Legal, Criminal Justice, and Cross Jurisdictional

- The members were presented with a hand out describing Proposition 36 case law as of March 17, 2003. It contains a summary of cases and the courts’ decision, which can impact the scope and application of SACPA.
- The Judicial Council has introduced legislation that would allow the transfer of defendants between counties.
- District Attorney’s are finding it difficult to work with individual clients in the courtroom, with time constraints and trying to balance cases.
- In Los Angeles County, there are 20+ courts currently handling Proposition 36 clients. Budget shortfalls present challenges to the continuation of specialized courts. If there is a dismantling, there will be 300 courts and each court in Los Angeles alone will have to have a Proposition 36 infrastructure. The county is advocating diligently for continuing specialized Proposition 36 courts and has very serious concerns for them. There have been 9,400 clients treated in their system.
- Judge Manley and Judge Stephens will be conducting training, with support from University of California, San Diego Addiction Training Center, for members of the Judiciary. The objective is to train Judges in specialty courts.

Funding, Rates, and Costs

- Some members noted that there have been funding issues related to Medi-Cal rates not reflecting actual costs.
- Rates and reimbursement are an issue. Increasing costs of benefits and Workers' Compensation is pressing upon the whole field, including state, private and non-profit organizations. Providers are concerned that rates paid by counties for services have not increased proportionately with substantial increases in the costs of Workers Compensation and health insurance. Concerns also exist regarding how counties will pay for the increased staffing levels in residential programs, if regulations are implemented that require increased staffing.
- In some counties, the numbers of clients coming into the system have leveled out. While there are some counties who will over-spend their allocation, there are some carry over funds. Though some counties do not have all the treatment needed, it will be feasible to manage clients through the system.
- A need exists to look for improved management of the client data and get at the real costs of the system - not just those funded with the \$120 million Proposition 36 appropriation. There is research and business data that should be able to be accessed in the system. Similarly, ancillary services that are not purchased with Proposition 36 funds are not tracked.
- There is a need to look at the infrastructure of funding and explore other entitlements available to clients. A discussion needs to begin regarding accessing other sources of funds for clients.

Legislative Issues

- The California Narcotics Officers Association (CNOA) is getting involved with the Legislature in an attempt to take "date rape" drugs out of Proposition 36. Senate Bill 762 was cited as one current attempt to deal with drugs used for predatory purposes. Although not addressed in the bill, the CNOA is also concerned that ecstasy is being used for predatory purposes.
- The Drug Policy Alliance (DPA) is scrutinizing the progress of the Budget Realignment proposals and other legislative action items, including Senate Bill 762 and Assembly Bill 1067, which would exclude certain drugs from Proposition 36. The Alliance is still working on the presumption that realigning the Proposition 36 Program would be illegal.
- In light of the California budget realignment and funding issues, California is faced with the question of how many programs will survive. With regard to perinatal programs, there is a conflict between the justice system regarding participation by women and the child welfare system's focus on children.

Capacity and Collaboration

- Collaboration is now occurring with a new level of cooperation.
- There are ongoing concerns that some County Lead Agencies are not referring clients to the Native-run treatment programs. Red Roads, a Native American organization, meets on a quarterly basis and discusses Proposition 36 regularly. It was expressed that communications need to be enhanced. The Native American community treatment programs are striving to get licensed and certified. The problem arises regarding how to bill and report aspects of Native American healing practices, such as sweats. While such practices are considered a treatment service according to Indian Health Services, they are not according to State treatment definitions.
- Total system capacity is a pressing issue in the counties. In some areas, Proposition 36 clients utilize most of the scarce beds.
- There has been a huge influx in parole referrals, due to direct referral assessments from Parole Field Agents.

There was a desire expressed that efforts at the State level should focus on the Little Hoover Commission Report and its recommendations. In response, Director Jett noted that the report is a key educational tool. ADP staff is developing responses to each of the recommendations to share with the various organizations, and the Director invited members to contribute their perspectives as well.

The Director also discussed the fact that there is some legislative interest in a merger of ADP with Department of Mental Health. It was noted that about half of Alcohol and Drug Programs locally are administered by the county Mental Health Department. There will be discussions with the counties and other organizations to seek their input on the merger issue.

Finally it was noted that Sacramento County has a one-year report on Proposition 36. Information on the report will be posted on their web site.

Legislative Update

Chris Janzen, Deputy Director, Office of Legislative and Public Affairs briefed the members on current legislative issues. ADP is tracking a number of bills impacting alcohol and drug issues, and efforts are focused on preparing for and testifying at legislative hearings on the Governors' Budget proposal for Fiscal Year 2003-04 and exploring the issues raised by the realignment portions of the proposal. Members were invited to attend a Policy Forum on April 7, 2003.

Evaluation Update

Larry Carr, Ph.D., Office of Applied Research and Analysis, provided members with an update on the SACPA evaluation and provided a roster of the Evaluation Advisory Group (EAG) membership.

In response to concerns of members as to whether or not the research question will get to cost savings and cost avoidance benefits of treatment versus incarceration, the EAG discussed this issue on March 20, 2003.

While the questions are largely fixed, there is a section of the research design that addresses the intent of the research questions. The EAG decided to add the phrase "...and cost savings" with an introductory paragraph in the report to capture the cost savings and costs avoidance aspects of those research questions.

ADP is working on a draft report for external review on May 1, 2003. The Statewide Advisory Group members will have an opportunity to review this report

Members are interested in receiving a timeline that displays the evaluation timeline and milestones. Dr. Carr agreed to share the timeline with members at the next meeting.

Overview of Pacific-Southwest Addiction Technology Transfer Center

Sherry Larkins, Ph.D., University of California, Los Angeles - Pacific Southwest Addiction Training Center provided the members with an overview of the Pacific-Southwest Technology Transfer Center. Dr. Larkin's noted the relevance of the Center's Training and other resources for the constituencies represented by the Statewide Advisory Group members as well as California's counties. Dr. Larkin has discussed some of the training needs specific to Proposition 36 with ADP and has received a small supplemental grant for Proposition 36 training

The Center's territory is Arizona, New Mexico, and California. The Center's primary charge is to bring practices in the field of substance abuse and treatment closer to science and research validated best practices. The Center's mandate and priority is to provide information and disseminate research findings to help researchers and clinicians make informed decisions about the level and type of care best suited to their client population. Subject areas include:

- Treatment capacity
- Co-Occurring Disorders (CODs)
- Acquired Immune Deficiency Syndrome/Human Immunodeficiency Virus (AIDS/HIV)
- Children and Families
- Terrorism/Bioterrorism
- Faith-Based Approaches
- Research Institutions
- Collaboration

Using the Proposition 36 supplemental grant funds, the Center's staff is developing training for Judges and in the area of probation, and treatment using Methadone and Buprenorphine.

In June 2003, the Center will join with the State to hold a Conference on Co-Occurring Disorders at the Long Beach Convention Center. Eight hundred people attended last year's conference, and it is again expected to be a very well attended venue.

Program Policy Update

Del Sayles-Owen, Deputy Director, Office of Criminal Justice Collaboration provided members with updates on major areas of policy and program administration areas. She noted that ADP is starting a working relationship with the Department of Rehabilitation (DOR). An initial meeting has been conducted and a Memorandum of Understanding (MOU) is being drafted to reflect the framework of collaboration between ADP and DOR. In addition, staff continues to work on how to maximize Health Maintenance Organization (HMO) services and capacity to benefit our client population.

Proposition 36 –“Making It Work! 2003”

The “Making it Work! 2003” Conference in San Diego was a success, with over 400 individuals in attendance. As many of the Judges in attendance were new to Proposition 36, it was an important training opportunity. The proceedings should be posted at the ADP web-site in May 2003.

Cost Efficiency Measures

There were a total of 13 counties that exceeded their annual allocations for Fiscal Year-2002 among the 13 were two urban counties, one medium county, and ten small counties. The range of overspending was 100 percent to 117.5 percent. Most counties cited start-up costs and more clients than expected as the explanations for higher levels of spending. Counties have already begun to implement measures to contain costs. Among the cost-containment measures:

- Making sure that tighter tracking mechanisms are in place for residential treatment.
- Counties will increase the use of waiting lists for residential services, use outpatient and day care combined. Also, these modalities are used where appropriate in lieu of the more costly residential treatment programs.
- Oversight mechanisms to closely monitor programs to help keep them within the budgeted funding.
- Potential of planned reductions in services, along with reduction of positions.

Allowable Court Costs

At the October 11, 2002 meeting a draft policy letter on allowable court costs was reviewed by this group. The purpose of this letter is to provide guidance for determining what court costs would be considered allowable for reimbursement under the Substance Abuse and Crime Prevention Act of 2000 (SACPA). The guidance became necessary based on preliminary audit findings related to current practices of counties to implement SACPA.

A number of comments, suggestions, and recommendations were made to ADP in response to the early draft letter. A revised draft All County Lead Agency (ACLA) letter discussing allowable court costs was presented for review. The revision incorporates many of the suggestions made by the advisory group. The letter is written to assist counties in avoiding future financial disallowances and is not new policy but merely clarification of SACPA and regulations. As such, the effective dates of SACPA and the regulations will prevail in relation to any disputes over counties' practices.

ADP determined that unallowable costs include customary costs of prosecuting or defending individuals arrested for drug violations that are incurred for district attorneys, public defenders, court reporters, bailiffs, et cetera. When the SACPA client has been sentenced for treatment then some costs associated with probation violation court proceedings would be allowable.

ADP took comments from the members and committed to release the ACLA letter soon.

Fiscal Year 2003-04 SACPA County Plan

On March 7, 2003, the OCJC released via ACLA Letter # 03-03 County Plan Guidelines and allocation information. Concerns were expressed the ADP should issue guidelines earlier to allow counties sufficient time to respond to any new requirements.

County Lead Agency Implementation Meeting (CLAIM) 2003

The possibility of delayed approval of a FY 2003-04 budget could result in planning difficulties for the fall 2003 CLAIM. It was agreed that the CLAIM should moved to November to minimize any negative planning impacts.

SACPA Statewide Allocation Formula

The Statewide Advisory Group asked the ADP Fiscal Work Group to review the SACPA allocation formula and determine whether changes may be needed. The Fiscal Work Group has asked ADP for data on county expenditures for SACPA clients. They also asked for information on counties that spent more than their SACPA allocation for fiscal year 2000-2001, using carryover funds from the previous year.

ADP has been collecting and verifying this data, and it has taken longer than expected to verify the reported data. The Fiscal Work Group will continue its work and report back to the Advisory Group at its next meeting.

SACPA Audits Field Work

To date, 50 final audit reports have been issued for FY 00-01. Thirteen audits are currently in progress, including six counties for which audit staff is performing a two-year review. One final audit report has been issued for FY 01-02.

Audit concerns identified so far include inappropriate or questionable application of administrative overhead being applied to the SACPA program, and provider invoices that do not reconcile to SACPA clients served.

Parolee Subcommittee Update

Del Sayles-Owen, Co-Chair of the Parolee Subcommittee, provided an update on the recent activities of the Parolee Subcommittee. The most recent meeting of the Parolee Subcommittee was held concurrent with the Proposition 36-Making It Work Conference in San Diego. The meeting was very well attended. The meeting focused on the following areas:

- State Budget and Realignment Proposal – information on the State Budget and the potential impact of the realignment proposal on the Office of Criminal Justice Collaboration was provided.
- Parolee Data Reconciliation Update - staff from ADP, the Board of Prison Terms (BPT) and the California Department of Corrections have been meeting since November 2002, to reconcile the differences between the ADP and BPT data regarding the number of parolees who have been referred and admitted to SACPA treatment programs throughout the state.
- Update on Process Redesign - California Department of Corrections (CDC) staff reported on how the changes and new process is working. There was some discussion of the need to remind providers to direct treatment plans and progress reports to the Department of Corrections, Parole and Community Services Division, rather than the Board of Prison Terms.
- Proposed Referral Procedures and Forms for Parolees with Other Services Needs – Ms. Millicent Gomes, Health Administrator, Health Administration Unit, CDC, presented draft referral procedures and forms for parolees in need of Mental Health Services. Attendees discussed the various services needs of parolees and how these forms may facilitate timely and appropriate referrals to needed services. Feedback was provided for consideration. The package will be presented for final review at the next Parolee Subcommittee meeting.
- Discussion of Proposition 36/SASCA Interface - This item was largely deferred due to time constraints. A small work group, comprised of ADP, CDC's Office of

Substance abuse Programs (OSAP), and SASCA provider representation will meet to develop some guidance for the field on how to manage eligible Proposition 36 parolees across the funding streams available to support services for this population. The workgroup is scheduled to meet on March 25, 2003. Progress on this issue will be provided at the next Parolee Subcommittee meeting, which is scheduled for April 9, 2003.

Director Jett asked that Statewide Advisory Group members consider what part of the existing SACPA infrastructure and reporting systems are working and not working. She asked for a report back at the next meeting. Structural problems, such as we are experiencing with parolee data, need to be addressed, and the Advisory Group meeting is the venue to discuss them.

Next Meetings

The next meeting dates for the Statewide Advisory Group are:

May 30, 2003
July 11, 2003
October 3, 2003

Adjournment

The meeting was adjourned at approximately 12:00 pm.